

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

October 18, 1994

IN REPLY REFER TO:

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RECEIVED

OCT 18 1994

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

DOCKET FILE COPY ORIGINAL

The Honorable Larry Combest
Member of Congress
5809 South Western
Suite 205
Amarillo, TX 79110-3626

Dear Congressman Combest:

This letter responds to your correspondence on behalf of John McCarty, Administrator, Texas Boys Ranch, regarding charges on his telephone bill and relating to information services provided on 800 numbers. Your letter, as well as the complaint of your constituent, has been referred to the Enforcement Division of the Common Carrier Bureau for review. The Enforcement Division will communicate with your constituent upon completion of its review.

The Telephone Disclosure and Dispute Resolution Act (TDDRA) was enacted by Congress in 1992 and required both the Federal Communications Commission and the Federal Trade Commission (FTC) to adopt rules governing the provision of pay-per-call services. Under the TDDRA, the FCC has jurisdiction over the telecommunications carriers involved in the transmission and billing of the telephone calls, while the Federal Trade Commission has jurisdiction over the information service companies themselves.

The TDDRA generally required pay-per-call services to be provided on 900 telephone numbers and generally prohibited the provision of these services on 800 numbers, except in instances where the caller has entered into a presubscription agreement or comparable arrangement with the information service provider. Pursuant to the Commission's rules, which became effective on September 24, 1993, a presubscription agreement entails a formal contractual understanding whereby the consumer is provided clearly and conspicuously all terms and conditions associated with the use of the service and affirmatively agrees to abide by them.

The Commission has received numerous complaints similar to those described by your constituent. These complaints are processed by the Enforcement Division of the Common Carrier Bureau by serving a copy of the complaint upon the telecommunication carriers involved, who must generally respond in writing within 30 days. Beyond reviewing these

No. of Copies rec'd
List ABCDE

The Honorable Larry Combest
Page 2

complaints and pursuing appropriate action to resolve them, the Commission has undertaken several efforts. First, Common Carrier Bureau staff has met with the carriers that provide the billing service for calls to 800 numbers as well as interexchange carriers who provide the 800 number transport to emphasize their obligations under the TDDRA and the rules of the Commission. Secondly, because the increase in the number of complaints has been so significant, we have started an investigation of these practices, with special focus on whether any companies have attempted to evade or violate our rules. Additionally, as part of the effort to make clear the carriers' responsibilities under the law, the Common Carrier Bureau has recently issued a ruling holding that the information provider's receipt of the originating telephone number, a practice that was serving as the premise of some charges, does not in itself constitute a presubscription agreement.

Moreover, on August 2, 1994, the Commission instituted a Notice of Proposed Rulemaking seeking to strengthen Commission rules to prevent abusive and unlawful practices under the TDDRA. Specifically, the Commission has sought public comment on a proposal to require that a presubscription agreement be established only with a legally competent individual and executed in writing, and that common carriers obtain evidence of the written agreement before issuing a telephone bill that contains charges for presubscribed information services. Under the proposed rules, these telephone bills could be addressed only to the individual who actually entered into the presubscription arrangement, not to the person or company whose telephone was used to place the call. The Commission has tentatively concluded that this and other proposed changes would significantly assist in eliminating the source of many consumer complaints. Enclosed is a summary of the Commission's action in this regard.

We appreciate receiving your correspondence. Please call upon us if we can provide any additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Kathleen M.H. Wallman".

Kathleen M.H. Wallman
Chief
Common Carrier Bureau

Enclosure

LARRY COMBEST
19TH DISTRICT TEXAS

COMMITTEE ON AGRICULTURE
COMMITTEE ON SMALL BUSINESS
PERMANENT SELECT COMMITTEE
ON INTELLIGENCE

ROOM 1511
LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-4319
(202) 225-4005

Congress of the United States
House of Representatives

August 10, 1994

DISTRICT OFFICES

ROOM 613
FEDERAL BUILDING
LUBBOCK, TX 79401
(806) 763-1611

SUITE 205
3800 E. 42ND STREET
ODESSA, TX 79762
(915) 362-2631

SUITE 205
5809 S. WESTERN
AMARILLO, TX 79110
(806) 353-3945

SUITE 114
511 W. OHIO
MIDLAND, TX 79701
(915) 687-0926

ccB
cc-800
cc-900
4019

Ms. Lauren J. Belzin
Acting Director, Office of Legislative Affairs
Federal Communications Commission
Room 808
1919 M Street, N.W.
Washington, D.C., 20554

Dear Ms. Belzin:

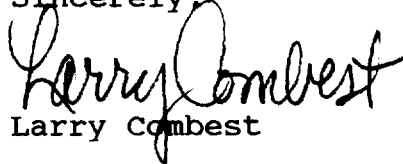
RE: Texas Boys Ranch
Misrepresentation of 1-800 numbers

In an effort to serve the constituents of the 19th District of Texas by responding to all inquiries, I ask your consideration of the attached correspondence. Additionally, I would appreciate your written response returned to:

Congressman Larry Combest
5809 South Western
Suite 205
Amarillo, Texas 79110-3626
ATTN: Danelle Barber

Thank you for your consideration.

Sincerely,


Larry Combest

LC/dab
Enclosures



TEXAS BOYS RANCH

(806) 747-3187 FAX (806) 747-3198 ROUTE 7, BOX 200 LUBBOCK, TEXAS 79401

AUG 10 1994

August 8, 1994

1994 OFFICERS

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American State Bank

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Lubbock Electric Company

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American Salt Company
Murray McNeely
Attorney-at-Law
Jack Williamson
Lubbock American Iron
& Metal, Inc.
John S. McCarty
Administrator

TELAMERICA

13499 Biscayne Blvd.
Suite 204
Miami Florida, FL 33181

Dear Sirs,

I am enclosing a copy of the bill, the front page of the bill, and our business letterhead.

Credit our account and do not bill us again.

Sincerely,

John S. McCarty
John McCarty
Administrator

JH/ls

cc: Southwestern Bell Telephone
State Senator John T. Montford
U.S. Senator Larry Combest

P.S. This is in reference to the 1-800-596-3655 and 1-800-933-0007, that are used like 1-900 numbers.

 Southwestern Bell Telephone

ACCT NUMBER 806 762 4840 272 7
JULY 21, 1994
RETURN PAGE PAGE 1

DUE DATE AUGUST 15

AMOUNT DUE 467.85

MAKE CHECKS PAYABLE TO SMT
NN PLEASE MAIL THIS PAGE WITH YOUR PAYMENT NN

TEXAS BOY'S RANCH
RT 7 BOX 200
LUBBOCK TX 79401-9432
**RR07
562

18

MAIL PAYMENT TO:

PO BOX 4845
HOUSTON TX 77097-0080
|||||

99 62 8067624840 272 0817 0831 520008 000000000 000046785 09

• See Reverse

"Thank You For Using Southwestern Bell Telephone"

TELAMERICA

ACCT NUMBER 806 762 4840 272 7
JULY 21, 1994
DETAIL OF CHARGES PAGE 15

**SUMMARY OF CHARGES FOR TELAMERICA
ITEMIZED CALLS (SEE DETAIL)**

CHARGES BEFORE TAXES 79.80
FEDERAL TAX 2.39
STATE AND LOCAL TAXES 4.99
TOTAL 87.18

TELAMERICA BILLING INQUIRIES 1-800-950-2532

ITEMIZED CALLS FOR TELAMERICA

NO	DATE	TIME	PLACE CALLED	AREA	NUMBER	*	MIN	AMOUNT
1	7-3	443AM	LIVE INFO	NP			8.4	
			FROM LUBBOCK TX	806	762 4840			31.92 #
			ACCESS TO	800	933 0007			

8-8-94 1st call disconnected by landline
8-8-94

* - See Reverse

"Thank You For Using Southwestern Bell Telephone"

TELAMERICA

ACCT NUMBER 806 762 4840 272 7
JULY 21, 1994
DETAIL OF CHARGES PAGE 16

NO	DATE	TIME	PLACE CALLED	AREA	NUMBER	*	MIN	AMOUNT
2	7-3	454AM	LIVE INFO	NP			12.4	
			FROM LUBBOCK TX	806	762 4840			47.88 #
			ACCESS TO	800	596 3655			

TOTAL ITEMIZED CALLS FOR TELAMERICA

79.80

1-800-559-7928

*8-8-94 Resident Asst. P. Chapa says
Billing only must be done directly.*

* - See Reverse

"Thank You For Using Southwestern Bell Telephone"